

RECORDATION NO. 8017 Filed & Recorded

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INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT
Dated as of March 25, 1975

BETWEEN

UNITED MISSOURI BANC LEASING CORP.
As Lessor

AND

MISSOURI PUBLIC SERVICE COMPANY
As Lessee

LEASE OF RAILROAD EQUIPMENT

RE:

MISSOURI PUBLIC SERVICE COMPANY

THIS LEASE OF RAILROAD EQUIPMENT dated as of March 25, 1975 between UNITED MISSOURI BANC LEASING CORP., a Missouri Corporation (the "Lessor"), and MISSOURI PUBLIC SERVICE COMPANY, a Missouri Corporation (the "Lessee");

W I T N E S S E T H:

SECTION 1. MANUFACTURE AND DELIVERY OF EQUIPMENT.

1.1. Intent to Lease and Hire. The Lessor is acquiring certain equipment (collectively the "Equipment" and individually "Item of Equipment") described in Schedule 1 attached hereto and made a part hereof and, upon delivery of each Item of Equipment by the Manufacturer or Manufacturers thereof (collectively as "Manufacturers" and individually "Manufacturer"), the Lessor shall lease and let such Item of Equipment to the Lessee and the Lessee shall hire such Item of Equipment from the Lessor for the rental and on and subject to the terms and conditions herein set forth.

1.2. Inspection and Acceptance. Upon delivery of each Item of Equipment by the Manufacturer thereof the Lessee will inspect such Item of Equipment and if such Item of Equipment tendered for delivery appears to meet the specifications, the Lessee will accept delivery thereof and execute and deliver to such Manufacturer and Lessor duplicate Certificates of Acceptance, substantially in the form of Exhibit 1 attached hereto and made a part hereof.

1.3. Certificate of Acceptance. The Lessee's execution and delivery to the Lessor of the Certificates of Acceptance with respect to each Item of Equipment shall conclusively establish that each Item of Equipment is acceptable to and accepted by the Lessee under this Lease, notwithstanding any defect with respect to design, manufacture, condition or in any other respect, and that each Item of Equipment is in good order and condition and appears to conform to the specifications applicable thereto and to all applicable Interstate Commerce Commission requirements and specifications, if any. The Lessee represents that it has no knowledge of any such defect.

SECTION 2. RENTS AND PAYMENT DATES.

2.1. Rent for Equipment. The Lessee agrees to pay the Lessor for each Item of Equipment designated in Schedule 1 hereto and leased hereunder, forty consecutive quarterly installments of Periodic Rent each payable in arrears in the amount provided for each Item of Equipment in said Schedule 1.

2.2. Rent Payment Dates. The first installment of Periodic Rent hereunder shall be due and payable on the

The second through the fortieth installments of Periodic Rent for the Items of Equipment shall be due and payable quarterly commencing three calendar months after such first rental payment date.

2.3. Place of Rent Payment. All payments provided for in this Lease to be made to the Lessor shall be made to the Lessor at 10th and Grand, Kansas City, Missouri 64141, or at such other place as the Lessor, or its assigns shall specify in writing.

2.4. Net Lease. This Lease is a net lease and the Lessee shall not be entitled to any abatement of rent or reduction thereof, including, but not limited to, abatements or reductions due to any present or future claims of the Lessee against the Lessor under this Lease or otherwise or against the Manufacturers of the Equipment, nor except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or failure of title of the Lessor to the Equipment or any defect in or damage to or loss or destruction of all or any of the equipment from whatsoever cause; the taking or requisitioning of the Equipment by condemnation or otherwise; the lawful prohibition of the Lessee's use of the Equipment, the interference with such use by any private person or corporation, the invalidity or unenforceability or lack of due authorization or other infirmity of this Lease, or lack of right, power or authority of the Lessor to enter into this lease, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events unless the obligation to pay the same shall be terminated pursuant to Section 11 hereof, or until the Equipment is surrendered and placed in storage pursuant to Section 13 hereof.

SECTION 3. TERM OF THE LEASE.

The term of this Lease as to each Item of Equipment shall begin on the date of delivery to and acceptance by the Lessee of such Item of Equipment and, subject to the provisions of Section 11 hereof, shall terminate 10 years after the initial Rent Payment Date for such Item of Equipment provided for in Section 2.2. hereof.

SECTION 4. OWNERSHIP AND MARKING OF THE EQUIPMENT.

4.1. Retention of Title. The Lessor, as between the Lessor and the Lessee, shall and hereby does retain full legal title to the Equipment notwithstanding the delivery thereof to and the possession and use thereof by the Lessee.

4.2. Duty to Number and Mark Equipment. The Lessee will cause each Item of Equipment to be kept numbered with the car number as set forth in Schedule 1 and to be kept plainly, distinctly, permanently and conspicuously marked by a plate or stencil printed in contrasting color upon each side of each Item of Equipment in letters not less than one-half inch in height as follows:

"Owned and leased by United Missouri Banc Leasing Corp.,
and subject to a Lease Agreement Recorded with I.C.C."

with appropriate changes thereof and additions thereto as from time to time may be required by law in order to protect the title of the Lessor to such Item of Equipment, and its rights under this Lease. The Lessee will not place any such Item of Equipment in operation or exercise any control or dominion over the same until the required legend shall have been so marked on both sides thereof and will replace promptly any such names and word or words which may be removed, defaced or destroyed. The Lessee will not change the car number of any Item of Equipment except with the consent of the Lessor and in accordance with a statement of new car numbers to be substituted therefor, which consent and statement previously shall have been filed with the Lessor by the Lessee and filed, recorded or deposited in all public offices where this Lease shall have been filed, recorded or deposited.

4.3. Prohibition Against Certain Designations. Except as above provided, the Lessee will not allow the name of any person, association or corporation to be placed on the Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Lessee may cause the Equipment to be lettered with the names or initials or other insignia customarily used by the Lessee or its affiliates on railroad equipment used by it of the same or a similar type for convenience of identification or of the right of the Lessee to use the Equipment under this Lease.

4.4. Indemnification for Improper Marking. The Lessee shall indemnify the Lessor hereof against any liability, loss or expense incurred by any of them as a result of the aforesaid marking of the Equipment with such name, initials or insignia.

SECTION 5. DISCLAIMER OF WARRANTIES.

AS BETWEEN LESSOR AND LESSEE, LESSOR LEASES THE EQUIPMENT, AS-IS WITHOUT WARRANTY OR REPRESENTATION EITHER EXPRESS OR IMPLIED, AS TO (A) THE FITNESS OR MERCHANTABILITY OF ANY ITEM OR ITEMS OF EQUIPMENT, (B) THE LESSOR'S TITLE THERETO, (C) THE LESSEE'S RIGHT TO THE QUIET ENJOYMENT THEREOF, OR (D) ANY OTHER MATTER WHATSOEVER, IT BEING AGREED THAT ALL SUCH RISKS, AS BETWEEN THE LESSOR AND THE LESSEE, ARE TO BE BORNE BY THE LESSEE. The Lessor hereby appoints and constitutes the Lessee as its agent and attorney-in-fact during the term of this Lease to assert and enforce, from time to time, in the name and for the account of the Lessor and the Lessee, as their interests may appear, but in all cases at the sole cost and expense of the Lessee, whatever claims and rights the Lessor may have as owner of the Equipment against any manufacturers or contractors in respect thereof.

SECTION 6. LESSEE'S INDEMNITY.

6.1. Scope of Indemnity. The Lessee shall defend, indemnify and save harmless the Lessor and its successors and assigns from and against:

- (a) any and all loss or damage of or to the Equipment, usual wear and tear excepted, and
- (b) any claim, cause of action, damages, liability, cost or expense (including counsel fees and costs in connection therewith) which may be incurred in any manner by or for the account of any of them (i) relating to the Equipment or any part thereof, including without limitation the construction, purchase, delivery, installation, ownership, leasing or return of the Equipment or as a result of the use, maintenance, repair, replacement, operation or the condition thereof (whether defects are latent or discoverable by the Lessor or by the Lessee), (ii) by reason or as the result of any act or omission of the Lessee for itself or as agent or attorney-in-fact for the Lessor hereunder, (iii) as a result of claims for patent infringements, or (iv) as a result of claims for strict liability in tort.

6.2. Continuation of Indemnities and Assumptions. The indemnities and assumptions of liability in this Section 6 contained shall continue in full force and effect notwithstanding the termination of this Lease, or the termination of the term hereof in respect of any one or more Items of Equipment, whether by expiration of time, by operation of law or otherwise. The Lessee shall be entitled to control, and shall assume full responsibility for, the defense of such claim or liability.

SECTION 7. RULES, LAWS AND REGULATIONS.

The Lessee agrees to comply with all governmental laws, regulations, requirements and rules (including the rules of the Interstate Commerce Commission and the current Interchange Rules and supplements thereto of the Mechanical Division Association of American Railroads) with respect to the use, maintenance and operation of each Item of Equipment subject to this Lease. In case any equipment or appliance on any such Item of Equipment shall be required to be changed or replaced, or in case any additional or other equipment or appliance is required to be installed on such Item of Equipment in order to comply with such laws, regulations, requirements and rules, the Lessee agrees to make such changes, additions and replacements.

SECTION 8. USE AND MAINTENANCE OF EQUIPMENT.

The Lessee shall use the Equipment only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. The Lessee shall, at its own cost and expense, maintain and keep the Equipment in good order, condition and repair, ordinary wear and tear excepted, suitable for use in interchange. The Lessee shall not modify any Item of Equipment without the written authority and approval of the Lessor which shall not be unreasonably withheld. Any parts installed or replacements made by the Lessee upon any Item of Equipment, including any additional equipment or appliance installed pursuant to Section 7 hereof, shall be considered accessions to such Item of Equipment and title thereto shall be immediately vested in the Lessor, without cost or expense to the Lessor.

SECTION 9. LIENS ON THE EQUIPMENT

The Lessee shall pay or satisfy and discharge any and all claims against, through, or under the Lessee and its successors or assigns which, if unpaid, might constitute or become a lien or a charge upon the Equipment, and any liens or charges which may be levied against or imposed upon any Item of Equipment as a result of the failure of the Lessee to perform or observe any of its covenants or agreements under this Lease, but the Lessee shall not be required to pay or discharge any such claims so long as it shall, in good faith and by appropriate legal proceedings contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor to the Equipment. The Lessee's obligations under this Section 9, shall survive termination of the Lease.

SECTION 10. PAYMENT OF TAXES.

10.1. Payment of Taxes. The Lessee, or the Lessor at the Lessee's expense, shall report, pay and discharge when due all license and registration fees, assessments, sales, use and property taxes, gross receipts taxes arising out of receipts from use or operation of Equipment; and other taxes, fees and governmental charges similar or dissimilar to the foregoing (excluding any net income tax, provided that the Lessee agrees to pay that portion of any such net income tax which is in direct substitution for, or which relieves the Lessee from a tax which the Lessee would otherwise be obligated to pay under the terms of this Section), together with any penalties or interest thereon, imposed by any state, federal or local government upon any Item of Equipment and whether or not the same shall be assessed against or in the name of the Lessor or the Lessee; provided, however, that the Lessee shall not be required to pay or discharge any such tax or assessment (i) so long as it shall, in good faith and by appropriate legal proceedings, contest the validity thereof in any reasonable manner which will not affect or endanger the title and interest of the Lessor to the Equipment; however, the Lessee shall reimburse the Lessor for any damages or expenses resulting from such failure to pay or discharge, or (ii) as to assessments against or in the name of anyone other than the Lessee until 20 days after written notice thereof shall have been given to the Lessee.

SECTION 11. PAYMENT FOR CASUALTY OCCURRENCE.

11.1. Notification by Lessee of Casualty Occurrence. In the event that any Item of Equipment shall be or become lost, stolen, destroyed, or, in the opinion of the Lessee, irreparably damaged or shall be requisitioned or taken over by any governmental authority under the power of eminent domain or otherwise during the term of this Lease (any such occurrence, except for any requisition which by its terms does not exceed the remaining term of this Lease, being hereinafter called a Casualty Occurrence), the Lessee shall promptly and fully (after it has knowledge of such Casualty Occurrence) inform the Lessor in regard thereto.

11.2. Payment for Casualty Occurrence. When the aggregate Casualty Value (as defined) of Items of Equipment having suffered a Casualty Occurrence (exclusive of Items of Equipment described in such Schedule having suffered a Casualty Occurrence with respect to which payment shall have been made to the Lessor pursuant to this Section 11) shall exceed \$25,000, the Lessee, on the next succeeding Rent Payment Date, shall pay to the Lessor a sum equal to the Casualty Value of such Item or Items of Equipment as of the date of such payment; provided, that notwithstanding the foregoing the Lessee shall on the last Rent Payment Date of each calendar year pay to the Lessor a sum equal to the Casualty Value of any Item or Items of Equipment which have suffered a Casualty Occurrence during such calendar year or any prior year for which no payment has previously been made to the Lessor pursuant to this Section 11.2.

11.3. Rent Termination. Upon (and not until) payment of the Casualty Value in respect of any Item or Items of Equipment, the obligation to pay rent for such Item or Items of Equipment (including the Periodic Rent installment due on the Casualty Value payment date) shall terminate, but the Lessee shall continue to pay rent for all other Items of Equipment. The Lessee shall pay when due all rent payments as to an Item or Items due prior to the date on which the Casualty Value thereof is payable.

11.4. Disposition of Equipment. The Lessee shall, as agent for the Lessor, dispose of such Item or Items of Equipment for which settlement has been made pursuant to Section 11.2 as promptly as possible for the best price obtainable. Any such disposition shall be on an "as-is", "where-is" basis without representation or warranty express or implied. As to each separate Item of Equipment so disposed of the Lessee may retain all proceeds of the disposition (including any insurance proceeds and damages received by the Lessee) up to the Casualty Value thereof and shall remit the excess, if any, to the Lessor. In disposing of such Item or Items of Equipment, the Lessee shall take such action as the Lessor shall reasonably request to terminate any contingent liability which the Lessor might have arising after such disposition from or connected with such Item or Items of Equipment.

11.5. Casualty Prior to Commencement of Periodic Rent. In the event the Lessee shall have notified the Lessor that an Item or Items of Equipment have suffered a Casualty Occurrence 15 days or more prior to the commencement of Periodic Rent hereunder with respect thereto, the Casualty Value for such Item or Items shall be an amount equal to 101% of its cost. If the Lessee shall have notified the Lessor that an Item or Items of Equipment have suffered a Casualty Occurrence less than 15 days prior to the commencement of Periodic Rent hereunder with respect thereto, the date of such Casualty Occurrence for such Item or Items shall be deemed to be one day after the due date of the first installment of Periodic Rent.

11.6. Casualty Value. The Casualty Value of each Item of Equipment shall be an amount determined as of the date the Casualty Value is paid as provided in Section 11.2 hereof (and not the date of the Casualty Occurrence) equal to that percentage of the original cost to the Lessor of such Item of Equipment as set forth in the Schedule of Casualty Value attached hereto as Schedule 2.

11.7. Risk of Loss. The Lessee shall bear the risk of and, except as hereinabove in this Section 11 provided, shall not be released from its obligations hereunder in the event of any Casualty Occurrence to any Item of Equipment after the date hereof.

11.8. Eminent Domain. In the event that during the term of this lease the use of any Item of Equipment is requisitioned or taken by any governmental authority under the power of eminent domain or otherwise for a period which does not exceed the remaining term of this Lease, the Lessee's duty to pay rent shall continue for the duration of such requisitioning or taking. The Lessee shall be entitled to receive and retain for its own account all sums payable for any such period by such governmental authority as compensation for requisition or taking of possession to an amount equal to the rent paid or payable hereunder for such period, and the balance, if any, shall be payable to and retained by the Lessor as its sole property.

SECTION 12. ANNUAL REPORTS.

12.1. Duty of Lessee to Furnish. On or before March 25 in each year, commencing with the year 1975, the Lessee will furnish to the Lessor or its assigns an accurate statement, as of the preceding fiscal year (a) showing the amount, description and numbers of the Items of Equipment then leased hereunder, the amount, description and number of all Items of Equipment that may have suffered a Casualty Occurrence during the preceding 12 months (or since the date of this Lease, in the case of the first such statement), and such other information regarding the condition or repair of the Equipment as Lessor may reasonably request, and (b) stating that, in the case of all Equipment repainted during the period covered by such statement, the markings required by Section 4.2 hereof shall have been preserved or replaced.

12.2. Lessor's Inspection Rights. The Lessor or its assigns shall have the right, at its sole cost and expense, by its authorized representative, to inspect the Equipment and the Lessee's records with respect thereto, at such times as shall be reasonably necessary to confirm to the Lessor or its assigns the existence and proper maintenance thereof during the continuance of this Lease.

SECTION 13. RETURN OF EQUIPMENT UPON EXPIRATION OF TERM.

Upon the expiration of the term of this Lease with respect to any Item of Equipment, the Lessee will, at its own cost and expense, at the request of the Lessor, deliver possession of such Item of Equipment to the Lessor upon such storage tracks within 25 miles of Kansas City, Missouri, as the Lessor may designate, or in the absence of such designation, as the Lessee may select, and provide storage for such Item of Equipment on such tracks for a period not exceeding 45 days and transport the same at any time within such 45 days to any reasonable place on the lines of a railroad within a 25 mile radius of such storage tracks, all as directed by the Lessor upon not less than 30 days' written notice to Lessee. All movement and storage of each such Item is to be at the risk and expense of the Lessee. During any such storage period the Lessee will permit the Lessor or any person designated by it, including the authorized representative or representatives of any prospective purchaser of any such Item, to inspect the same. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee to so assemble, deliver, store and transport the Equipment.

SECTION 14. DEFAULT.

14.1. Events of Default. If, during the continuance of this Lease, one or more of the following events ("Events of Default") shall occur:

- (a) Default shall be made in the payment of any part of the rental provided in Section 2 hereof and such default shall continue for ten days;
- (b) The Lessee shall make or permit any unauthorized assignment or transfer of this Lease, or of possession of the Equipment, or any portion thereof, and shall fail or refuse to cause such assignment or transfer to be cancelled by agreement of all parties having any interest therein and to recover possession of such Equipment within 30 days after written notice from the Lessor to the Lessee demanding such cancellation and recovery of possession;

(c) Default shall be made in the observance of performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein and such default shall continue for 30 days after written notice from the Lessor to the Lessee, specifying the default and demanding the same to be remedied;

(d) The Lessee shall become insolvent or bankrupt or admit in writing its inability to pay its debts as they mature or shall make an assignment for the benefit of its creditors; or

(e) Bankruptcy, reorganization, arrangement or insolvency proceedings or other proceedings for relief under any bankruptcy or similar law or laws for the relief of debtors shall be instituted by or against Lessee; or Lessee shall permit or there shall occur any involuntary transfer of its interest hereunder or of all or substantially all of Lessee's property by bankruptcy or by the appointment of a receiver or trustee or by execution or by any judicial or administrative decree or process or otherwise; unless in every such case such proceedings (if instituted against the Lessee) shall be dismissed or such assignment, transfer, decree or process shall within 60 days from the filing or other effective date therein be nullified, stayed or otherwise rendered ineffective, or unless any such receiver or trustee shall within 60 days from the date of his appointment adopt and assume this Lease pursuant to due authority of law and of the court appointing him; then in any such case the Lessor, at its option, may:

(1) Proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(2) By notice in writing to the Lessee, terminate this Lease, whereupon all right of the Lessee to the use of the Equipment shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon the Lessor may by its agents enter upon the premises of the Lessee or other premises where any of the Equipment may be located and take possession of all or any such Equipment and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Equipment for any purpose whatever, but the Lessor shall nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by a fraction of which the numerator is such accrued number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (i) as damages for loss of the bargain and not as a penalty, an amount, with respect to each item of Equipment, which represents the excess of the present worth, at the time of such termination, of all rentals for such item which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease over the then present worth of the then fair rental value of such item for such period computed by discounting from the end of such term to the date of such termination rentals which the Lessor reasonably estimates to be obtainable for the use of the item during such period, such present worth to be computed in each case on a basis of 6% per annum discount, compounded semi-annually from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, and (ii) any damages and expenses including reasonable attorneys' fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease, other than for the payment of rent.

14.2. Cumulative Remedies. The remedies in this Lease provided in favor of the Lessor shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims of any right to assert any off-set against the rent payments due hereunder, and agrees to make the rent payments regardless of any off-set or claim which may be asserted by the Lessee on its behalf in connection with the Lease of the Equipment.

14.3. Lessor's Failure to Exercise Rights. The failure of the Lessor to exercise the rights granted it hereunder upon any occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

SECTION 15. RETURN OF EQUIPMENT UPON DEFAULT.

15.1. Lessee's Duty to Return. If the Lessor shall terminate this Lease pursuant to Section 14 hereof, the Lessee shall forthwith deliver possession of the Equipment to the Lessor. For the purpose of delivering possession of any Item of Equipment to the Lessor as above required, the Lessee shall at its own cost, expense and risk (except as hereinafter stated):

(a) Forthwith assemble and place such Equipment upon such storage tracks within 25 miles of Kansas City, Missouri, as the Lessor may designate or, in the absence of such designation as the Lessee may select;

(b) Provide storage at the risk of the Lessee for such Equipment on such tracks for a period not exceeding 180 days after written notice to the Lessor specifying the place of storage and the road numbers of the Items so stored; and

(c) Transport any Items of Equipment, at any time within such 180 days' period, to any place on the lines of a railroad within a 25 mile radius of such storage tracks, all as the Lessor may reasonably direct upon not less than 30 days' written notice to the Lessee.

15.2. Intention of Parties. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises, the Lessor shall be entitled to a decree against the Lessee requiring specific performance of the covenants of the Lessee so as to assemble, deliver, store and transport the Equipment.

15.3. Lessor Appointed Lessee's Agent. Without in any way limiting the obligations of the Lessee under the foregoing provisions of this Section 15, the Lessee hereby irrevocably appoints the Lessor as the agent and attorney of Lessee, with full power and authority, at any time while the Lessee is obligated to deliver possession of any Items of Equipment to Lessor, to demand and take possession of such Item in the name and on behalf of Lessee from whomsoever shall be at the time in possession of such Item.

SECTION 16. ASSIGNMENTS BY LESSEE: USE AND POSSESSION.

16.1. Lessee's Rights to the Equipment. So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to the possession and use of the Equipment in accordance with the terms of this Lease, but, without the prior written consent of the Lessor, the Lessee shall not assign, transfer or encumber its leasehold interest under this Lease in any of the Equipment, subject to the terms of the Indenture of Mortgage of Lessee and the supplements thereto. The Lessee shall not, without the prior written consent of the Lessor, part with the possession or control of, or suffer or allow to pass out of its possession or control, any of the Equipment, except to the extent permitted by the provisions of Section 16.2 hereof.

16.2. Use and Possession by Lessee, Interchange, "Mileage". So long as the Lessee shall not be in default under this Lease, the Lessee shall be entitled to and shall have the exclusive use and possession of the Equipment. The Lessee agrees that the Equipment will be used solely upon the lines or railroads in the continental United States in the usual interchange of traffic. The Lessee shall have the right to sublease any Item of Equipment; provided, however, that no such assignment, sublease or permitted use shall relieve the Lessee of any of the obligations, liabilities or duties hereunder which shall be and remain those of a principal and not a surety. The Lessee may receive and retain for its own account such compensation for subletting the Equipment and/or for the use of the Equipment by others as the Lessee may determine. Without limiting the foregoing, it is contemplated that the Lessee shall receive insofar as applicable law and regulations allow, all mileage allowance rentals and/or other compensation (hereinafter referred to as "Mileage") payable by carriers by reason of the use of the Equipment and if for any reason the Lessor shall receive any Mileage then (unless an event of default as defined in Section 14 shall have occurred and be continuing) the Lessor shall remit such Mileage to the Lessee promptly after the Lessee shall furnish to the Lessor an opinion ruling or other evidence satisfactory to the Lessor that the remittance thereof to the Lessee will not violate any applicable law or regulations.

16.3. Merger, Consolidation or Acquisition of Lessee. Nothing in this Section 16 shall be deemed to restrict the right of the Lessee to assign or transfer its leasehold interest under this Lease in the Equipment or possession of the Equipment to any corporation (which shall have duly assumed the obligations hereunder of Lessee) into or with which the Lessee shall have become merged or consolidated or which shall have acquired the property of the Lessee as an entirety or substantially as an entirety.

SECTION 17. OPINION OF LESSEE'S COUNSEL.

Concurrently with the delivery and acceptance of the first Item of Equipment hereunder, the Lessee will deliver to the Lessor the written opinion of counsel for the Lessee addressed to the Lessor, in scope and substance satisfactory to the Lessor to the effect that:

(a) The Lessee is a corporation legally incorporated and validly existing, in good standing, under the laws of the State of Missouri; and

(b) The Lessee has the corporate authority to own its property and carry on its business as now being conducted and is duly qualified to do business as a foreign corporation in all states in which such qualification is necessary to carry out the terms of the Lease;

(c) This Lease and the Agreement to Acquire and Lease of even date herewith, between the Lessor and the Lessee have been duly authorized, executed and delivered by the Lessee and constitute the valid, legal and binding agreements of the Lessee enforceable in accordance with their respective terms;

(d) No approval, consent or withholding of objection is required from any public regulatory body with respect to the entering into or performance of the Agreement to Acquire and Lease or this Lease;

(e) The execution and delivery by Lessee of the Agreement to Acquire and Lease and this Lease do not violate any provision of any law, any order of any court or governmental agency, the Articles of Incorporation or By-laws of the Lessee, or any indenture, agreement, or other instrument to which Lessee is a party or by which it, or any of its property is bound, and will not be in conflict with, result in the breach of, or constitute (with due notice and/or lapse of time) a default under any such indenture, agreement, or other instrument, or result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Lessee, except as contemplated and permitted hereby; and

(f) As to any other matters which Lessor shall reasonably request.

SECTION 18. INTEREST ON OVERDUE RENTAL AND AMOUNTS PAID BY LESSOR.

Anything to the contrary herein contained notwithstanding, any non-payment of rentals due hereunder, or amounts expended by the Lessor on behalf of the Lessee, shall result in the obligation on the part of the Lessee to pay also an amount equal to 10% (or the lawful rate, whichever is less) of the overdue rentals and amounts expended for the period of time during which they are overdue or expended and not repaid.

SECTION 19. NOTICES.

Any notice required or permitted to be given by either party hereof to the other shall be deemed to have been given when deposited in the United States mails, certified first class postage prepaid, addressed as follows:

If to the Lessor: United Missouri Banc Leasing Corp.
P.O. Box 226
Kansas City, Missouri 64141

If to the Lessee: Missouri Public Service Company
10700 East 50 Highway
Kansas City, Missouri 64138

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

SECTION 20. EXECUTION IN COUNTERPARTS.

This Lease, and any lease supplemental hereto, may be executed in several counterparts, each of which so executed shall be deemed to be an original and in each case such counterparts shall constitute but one and the same instrument.

SECTION 21. LAW GOVERNING.

This Lease shall be construed in accordance with the laws of Missouri; provided, however, that the parties shall be entitled to all rights conferred by any applicable federal statute, rule or regulation.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed by their respective officers thereunto duly authorized and their corporate seals to be hereto affixed as of the day and year first above written.

LESSOR

UNITED MISSOURI BANC LEASING CORP.

(CORPORATE SEAL)

Attest:

By

Donald J. Hoyle
Vice President

Stephen P. Blauvelt
Assistant Secretary

LESSEE

MISSOURI PUBLIC SERVICE COMPANY

(CORPORATE SEAL)

Attest:

By

Kelly Williams
Vice President

Ernie Clements
Assistant Secretary

Exhibits to Lease

1 - Certificate of
Acceptance

Schedules to Lease

1 - List of Equipment
2 - Schedule of Casualty Values

SCHEDULE 1

MANUFACTURER: Ortner Freight Car Co.,
Cincinnati, Ohio

DESCRIPTION OF EQUIPMENT: 10 100-ton rapid discharge
coal hopper cars

CAR NUMBERS: MPSX to MPSX , both inclusive

PRICE: \$ per car

TOTAL PRICE: \$

OUTSIDE DELIVERY DATE:

DELIVER TO:

RENT PERIOD: 10 years commencing with the first rent
payment date

PERIODIC RENT: 40 quarterly installments, in arrears,
in the amount of \$ per car
or an aggregate of \$ for
the 10 cars

In the event the price of any items covered by this Schedule is greater or less than the amount shown above, the rentals of such item shall be ratably increased or reduced.

LESSEE: Missouri Public Service Company

MISSOURI PUBLIC SERVICE COMPANY

CASUALTY VALUE: The following per cent of original cost to Lessor of an Item of Equipment, set forth in Schedule 1 to the Lease, including all taxes and delivery charges, is to be paid on each Rent Payment Date pursuant to Section 11 of the Equipment Lease as the result of an Item becoming the subject of a Casualty Occurrence, depending upon when the Casualty Value is paid:

<u>Rent Payment Date</u>	<u>Payable on Date and in lieu of Payment No.</u>	<u>Casualty Value Payable Per Item (in lieu of rental payment for such item due on such date)</u>
7/75	2	106.518
10/75	3	105.716
1/76	4	104.803
4/76	5	103.788
7/76	6	102.700
10/76	7	101.535
1/77	8	100.292
4/77	9	98.968
7/77	10	97.577
10/77	11	96.112
1/78	12	94.573
4/78	13	92.954
7/78	14	91.270
10/78	15	89.512
1/79	16	87.681
4/79	17	85.769
7/79	18	83.794
10/79	19	81.746
1/80	20	79.626
4/80	21	77.423
7/80	22	75.160 -
10/80	23	72.825
1/81	24	70.418
4/81	25	67.928
7/81	26	65.379
10/81	27	62.760
1/82	28	60.069
4/82	29	57.295
7/82	30	54.464
10/82	31	51.564
1/83	32	48.593
4/83	33	45.538
7/83	34	42.429
10/83	35	39.251

SCHEDULE OF CASUALTY VALUEPage 2
ContinuedMISSOURI PUBLIC SERVICE COMPANY

<u>Rent Payment Date</u>	<u>Payable on Date and in lieu of Payment No.</u>	<u>Casualty Value Payable Per Item (in lieu of rental payment for such item due on such date)</u>
1/84	36	36.004
4/84	37	32.672
7/84	38	29.290
10/84	39	25.839
1/85	40	22.320
4/85	41	18.716
7/85	Expiration date of the Lease	15.000

SCHEDULE A

Schedule A to Lease Agreement of March 25, 1975, between United Missouri Banc Leasing Corp., 928 Grand Avenue, Kansas City, Missouri ("Lessor"), and Missouri Public Service Company, whose address or place of business is 10700 East 50 Highway, Kansas City, Missouri 64138 ("Lessee").

Description of Equipment:

(10) 100-Ton rapid discharge coal cars, Car Nos. MPSX 1076 thru 1085. As described on Ortner Freight Car Company Invoice No. 11448 dated 7/11/75, copy attached hereto and incorporated herein.

Total Cost of Equipment: \$ 344,496.20 Total Lease Rent: \$ 569,820.94

Term of Lease: Ten Years/40 Qtrs. Date of Commencement of Term of Lease: March 25, 1975

Periodic installments or payments in the amount of \$ 11,850.67 payable on the 1st day of October, 1975, followed by Thirty-nine (39) quarterly payments of \$14,306.93 each; until rent is paid.

Additional Terms and Conditions:

This schedule shall be effective on July 23, 1975 notwithstanding the fact that the first rental is due on October 1, 1975.

Dated this 21st day of July, 1975

LESSOR
UNITED MISSOURI BANC LEASING CORP.

LESSEE
MISSOURI PUBLIC SERVICE COMPANY

By Derald Hagle

By Kelly Williams

Title President

Title Vice President Finance

RECEIPT OF EQUIPMENT

Lessee hereby acknowledges that it has received in satisfactory condition and repair and accepts and approves the equipment which is described or listed above.

Date: July 22, 1975 By Kelly Williams

RETURN OF EQUIPMENT

Title Vice President Finance

Lessor hereby acknowledges that Lessee has returned and Lessor has received the equipment which is described or listed above.

UNITED MISSOURI BANC LEASING CORP.
LESSOR

Date: _____, 19____ By _____

ORLINE FREIGHT CAR COMPANY
 2652 Erie Ave. CINCINNATI, OHIO 45208

SOLD TO

United Missouri Banc Leasing Corporation
 c/o Mr. Derald J. Slagle, President
 Post Office Box 226
 Kansas City, Missouri 64141

Invoice No. 11448

SHIPPED TO

Agent, St. Louis-San Francisco Railway
 St. Louis, Missouri

INVOICE DATE 7/11/75
 TERMS Net 15 days
 DATE SHIPPED 7/8/75
 SHIPPED FROM Covington, Ky
 F.O.B. Covington, Ky
 Shipped Freight Collect

CUSTOMER
 ORDER NO.
 CAR NO.

69650
 MPSX 1076 thru 1085
 ROUTE

DATE

11/22/74

REQUISITION NO.

121 PA

DESCRIPTION	QUANTITY (SHOW UNIT)	PRICE PER UNIT	AMOUNT
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100-ton Rapid Discharge Coal Cars with
 "Plug in" type air system per
 Missouri Public Service Company order #69650:

Base Car \$30,735.67
 Final Material Escalation..... 2,517.61
 Labor Escalation \$19.05 x 62.8..... 1,196.34
 \$34,449.62

10

\$34,449.62

\$344,496.

PLEASE WIRE TRANSFER FUNDS TO:

Manufacturers Hanover Trust Company
 New York, N. Y.
 For Credit to the Acct: Ortner Freight Car Company
 #127-0 31656
 Attn: Mr. James Reddington, Asst. Secretary

SELLER REPRESENTS THAT WITH RESPECT TO THE PRODUCTION OF THE ARTICLES COVERED BY THIS
 INVOICE, IT HAS FULLY COMPLIED WITH THE PROVISIONS OF THE FAIR LABOR STANDARDS ACT OF
 1939, AS AMENDED.

CERTIFICATE OF ACCEPTANCE NO. _____
UNDER
MISSOURI PUBLIC SERVICE COMPANY EQUIPMENT LEASE
dated March 25, 1975

TO: UNITED MISSOURI BANC LEASING CORP.

I, duly appointed inspector and authorized representative of Missouri Public Service Company ("Lessee") for the purpose of the Agreement to Acquire and Lease and the Equipment Lease, both dated March 25, 1975 between United Missouri Banc Leasing Corp., as Lessor, and the Lessee, do hereby certify that I have inspected, received, approved and accepted delivery on behalf of Lessee and under said Agreement, of the following pieces of Equipment:

TYPE OF EQUIPMENT: 100 Ton Open Hopper Cars manufactured by
Ortner Freight Car Company

PLACE ACCEPTED: ORTNER FREIGHT CAR, COVINGTON, KENTUCKY

DATE ACCEPTED: July 8, 1975

NUMBER OF UNITS: Ten (10)

NUMBERED: MPSX 1076 - 1085 inclusive

I do further certify that the foregoing Equipment is in good order and condition, and appears to conform to the specifications applicable thereto and to all applicable Interstate Commerce Commission requirements and specifications and that each item has been marked in accordance with Section 4.2 of the Lease.

The execution of this certificate will in no way relieve or decrease the responsibility of the Manufacturer of the Equipment for any warranties it has made with respect to the Equipment.

DATED: July 8, 1975.

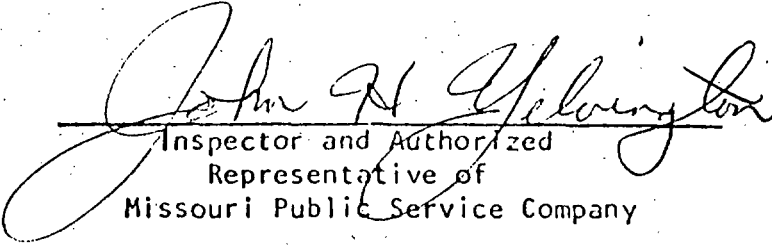

Inspector and Authorized
Representative of
Missouri Public Service Company

EXHIBIT 1 TO LEASE

Acknowledgement for Corporation

STATE OF Missouri, COUNTY OF Jackson SS:

On this 24th day of July, in the year 19 75, before me, Mary Moss a Notary Public in and for said county, personally appeared Kelly Williams, known to me to be the Vice President - Finance of the corporation that executed the
(Title)

within instrument, and known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of its Board of Directors.

Mary Moss Jackson County, Missouri
(Notary Public) (State)
(Notarial Seal) My Commission Expires: October 23, 1975

Acknowledgement for Corporation

STATE OF Missouri, COUNTY OF Jackson SS:

On this 24th day of July, in the year 19 75, before me, Jean McKenney Tate Notary Public in and for said county, personally appeared Edward J. Pledge, known to me to be the President of the corporation that executed the
(Title)

within instrument, and known to me to be the person who executed the within Instrument on behalf of the corporation therein named, and acknowledged to me that such corporation executed the within instrument pursuant to its bylaws or a resolution of its Board of Directors.

Jean McKenney Tate Jackson County, Missouri
(Notary Public) (State)
(Notarial Seal) My Commission Expires: Aug. 17, 1975

AGREEMENT TO ACQUIRE AND LEASE
Dated as of March 25, 1975

BETWEEN

UNITED MISSOURI BANC LEASING CORP.
As Lessor

AND

MISSOURI PUBLIC SERVICE COMPANY
As Lessee

AGREEMENT TO ACQUIRE AND LEASE

RE: MISSOURI PUBLIC SERVICE COMPANY

THIS AGREEMENT entered into as of this 25th day of March, 1975 between UNITED MISSOURI BANC LEASING CORP., a Missouri Corporation (the "Lessor") and MISSOURI PUBLIC SERVICE COMPANY, a Missouri Corporation (the "Lessee").

RECITALS:

A. The Lessee has agreed to purchase from ORTNER FREIGHT CAR CO. (the "Manufacturer") certain equipment (collectively the "Equipment" and individually an "Item of Equipment") described in the Equipment Lease (the "Lease") which is attached as Exhibit B hereto.

B. The Lessee desires to lease, rather than to purchase, the Equipment; and

C. United Missouri Banc Leasing Corp. (the "Lessor") is willing to purchase the Equipment and lease it to the Lessee on the terms and conditions of this Agreement.

THE LESSEE, AND THE LESSOR HEREBY AGREE:

Section 1. Assignment. The Lessee assigns to the Lessor all of its rights against (but none of its duties or obligations to) the Manufacturer in connection with the Equipment, except such rights and claims as it may have or hereafter acquire against the Manufacturer as the result of any defect in or unfitness of the Equipment or any breach of warranty by the Manufacturer in respect thereto. The Lessee further reserves to itself the right to assert any such rights or claims for itself and as agent and attorney-in-fact for the Lessor. The Lessee anticipates that after execution by the Manufacturer of a Consent and Agreement substantially in the form attached hereto as Exhibit A, the Manufacturer will be bound to the Lessor to sell and deliver the Equipment at the prices and places and prior to the Outside Delivery Date, in each such instance as specified in the Lease and represents that it has no knowledge of any fact or circumstance which adversely affects such duty to sell and deliver. The Lessee shall at all times be and remain solely liable for the performance of all duties and obligations under all agreements of any nature between the Lessee and the Manufacturer.

Section 2. Purchase of Equipment. The Lessor will purchase the Equipment and pay for the same when all Items of Equipment have been delivered and upon receipt of an executed Certificate of Acceptance therefor in the form provided for in the Lease; and concurrently with delivery and acceptance thereof as provided herein, will lease the Equipment to the Lessee and the Lessee will hire the same from the Lessor, on the terms and conditions of the Lease. The Lessor shall have no obligations hereunder to the Lessee in respect of Items of Equipment delivered and accepted after the applicable Outside Delivery Date. The Lessee shall be and remain liable to the Manufacturer under all Purchase Agreements or orders with respect to any Item of Equipment delivered after the Outside Delivery Date.

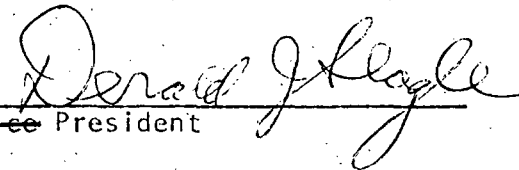
Section 3. Acceptance of Equipment. The Lessee shall immediately inspect each Item of Equipment upon delivery thereof and will accept those Items of Equipment which conform to the obligations of the Manufacturer thereof. The Lessee agrees not to unreasonably withhold such acceptance. Such acceptance shall be for the account of the Lessor and thereupon title to each Item of Equipment so accepted shall vest in the Lessor, and the Lessor shall own each such Item of Equipment, subject, however, to a lease of each such Item of Equipment to Lessee on the terms and conditions of the Lease.

Section 4. Indemnity. The Lessee hereby agrees to indemnify and hold the Lessor and its successors, assigns, directors, officers and agents, harmless from and against any and all losses, claims, liabilities and expenses which arise out of or relate to the manufacture, purchase, acceptance, rejection, ownership and delivery of the Equipment (including claims for patent, trademark, or copyright infringement).

Section 5. Consent and Agreement. It is a condition precedent to the obligation of the parties hereto that the Manufacturer shall, prior to the delivery by such Manufacturer of the first Item of Equipment to the Lessee, execute a Consent and Agreement in substantially the form attached hereto as Exhibit A.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement to Acquire and Lease.

UNITED MISSOURI BANC LEASING CORP.

By 
Vice President

MISSOURI PUBLIC SERVICE COMPANY

By 
Vice President

EXHIBITS TO ACQUISITION AGREEMENT

Exhibit A - Consent and Agreement
Exhibit B - Equipment Lease

CONSENT AND AGREEMENT

The undersigned, ORTNER FREIGHT CAR CO. (the "Manufacturer"), acknowledges receipt of an executed counterpart of an Agreement to Acquire and Lease dated as March 25, 1975, between UNITED MISSOURI BANC LEASING CORP. (the "Lessor") and MISSOURI PUBLIC SERVICE COMPANY (the "Lessee") and as an inducement to the parties thereto to make the same thereunder:

1. Consents to the assignment by the Lessee to the Lessor of all of its rights against the Manufacturer in connection with the Items of Equipment described below, subject to the exceptions and reservations provided for in Section 1 of the Agreement to Acquire and Lease.

2. Agrees that none of the duties or obligations of the Lessee under any agreements of any nature between the Manufacturer and the Lessee have been assigned to or in any manner assumed by the Lessor.

3. Agrees prior to each delivery to cause each Item of Equipment to be marked:

"Owned by and Leased from United Missouri Banc
Leasing Corp., and subject to a Lease Agreement
recorded with the I.C.C."

4. Indemnifies and saves the Lessor and the Lessee harmless from any liability, loss, damage, claim and expense which arise out of any claims for patent infringement relative to the Equipment, except in cases of designs specified by the Lessee and not developed or purported to be developed by the Manufacturer or any company controlled by the Manufacturer, and articles and materials specified by the Lessee and not manufactured by the Manufacturer or by any company controlled by the Manufacturer.

5. In accordance with Section 3 of such Agreement to Acquire and Lease agrees that upon payment for any Item of Equipment title thereto shall vest in the Lessor and upon request of the Lessor or the Lessee the Manufacturer will execute and deliver a Bill of Sale containing full warranties of title in favor of the Lessor with respect to such Item and furnish such other evidence of title vesting in the Lessor as may be reasonably required by the Lessee or the Lessor. The original of such documents and other materials shall be furnished to the Lessor with copies to the Lessee.

ORTNER FREIGHT CAR CO.

Dated: June 25, 1975

By J. S. Locke, Jr.
Its Assistant Vice President